

Washington State Employment Security

Sylvia P. Mundy, Commissioner

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State Employment Picture Remained Soft in May

<u>OLYMPIA</u> - Washington's seasonally adjusted unemployment rate dropped a slight one-tenth of one percentage point to 7.1 percent in May, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate fell two-tenths of one percentage point to 5.8 percent. Washington's non-adjusted unemployment rate fell one-tenth of one percentage point to 6.9 percent.

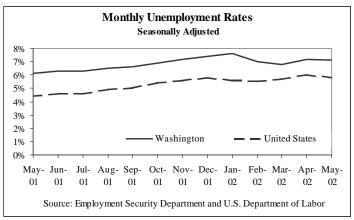
"Beyond the typical seasonal gains, the state's job picture during the month was lackluster," said Mundy. "We usually see larger gains in construction, retail trade, lodging, and amusement and recreation."

Washington added 18,000 nonagricultural wage and salary jobs over the month in May for a non-adjusted increase of 0.7 percent. That compares to the typical increase of 1.0 percent. Services represented 6,100 of that gain, with business services, hotels and lodging, and amusement and recreation leading the way.

Retail trade was up 4,600 jobs, with eating and drinking places (+3,200) accounting for most of that increase. Building materials/garden supplies and food stores were also up notably. Construction added 4,600 jobs, mostly in special trade contracting (+3,200).

Manufacturing rose by 1,500 jobs, with seasonal nondurable goods accounting for four-fifths of the gain. Government was up 700 with the 1,100 gain in local government partially offset by the loss of 500 in state government.

Washington's seasonally adjusted nonfarm employment, estimated in collaboration with the Office of the Forecast Council, fell by 68,500 jobs or 2.5 percent from May 2001 to May 2002. Non-



adjusted data show that manufacturing shed 29,200 jobs, with nearly four in five of those jobs lost in durable goods. Aircraft and parts, in particular, cut 9,600 jobs. Among nondurable goods, the loss of 3,600 jobs in food processing was the largest. On the non-manufacturing side, losses outpaced gains. Construction shed the greatest number of jobs (-13,300) followed by wholesale and retail trade (-12,800) and services (-12,000). Business services lost 14,800 jobs, including 6,800 in computer and data processing. Health services remained the biggest source of jobs in the services sector with a gain of 7,400. Transportation, communications and utilities was down 10,300 jobs, while finance, insurance and real estate was up 4,500. Government added 10,900 jobs with three-fourths of that increase occurring in local government.